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# UPDATE ON BAAL GAMMON AND KAGARA STRATEGIC ALLIANCE

- **Blasting and mining pre-strip commenced at Baal Gammon – production imminent**
- **Kagara and Monto jointly funding an independent review focussed on the non-tin metals potential of Monto's tenement holding**
- **Investigation of tin extraction circuit at the Mt Garnet plant progressing**

## *Development of Baal Gammon*

Kagara Ltd (Kagara) have completed over three quarters of a 25 hole diamond drilling programme at the Baal Gammon copper mine, the purpose of which is to confirm various aspects of the existing resource model and assist with their metallurgical assessment.

The Plan of Operations for the mining of Baal Gammon was approved by the Department of Employment, Economic Development and Innovation (DEEDI) on 23 of September.

Kagara have commenced blasting and mining pre-strip work at Baal Gammon and will be carting ore shortly.

## *Monto/Kagara Herberton Mineral Field Review*

Monto and Kagara have jointly commissioned the services of an independent consulting geologist with experience in the Herberton Mineral Field to conduct a review of all copper, zinc, lead, gold and silver (non-tin metals) prospects contained within Monto's exploration ground.

The review will focus on many of the non-tin metals prospects with a view to establishing specific terms for proposed joint venture(s) whereby Kagara will have the right to explore for metals (excluding tin) over specific prospects identified. The formal terms of the joint venture(s) are to be agreed.

The Herberton Mineral Field review has commenced and is scheduled to take approximately one month to two months to complete.

Monto remain focussed on tin exploration over the Herberton Project and view the Herberton Mineral Field review as an excellent opportunity to identify attractive non-tin metals targets that can be advanced through joint venture(s) with Kagara. This preserves capital for the purpose of tin exploration whilst also exposing Monto to significant exploration upside conducted by a proven base metals explorer and producer.

### *Strategic Tin Alliance*

Monto and Kagara have made progress with respect to the investigation of the technical feasibility and commerciality of implementing a tin extraction circuit at the Mt Garnet processing facility.

The current drilling programme at Baal Gammon will provide additional metallurgical information to feed into the tin processing feasibility assessment at the Mt Garnet Plant and a final decision on the tin extraction circuit will be based on this information.

The establishment of a tin extraction circuit at Kagara's Mt Garnet Plant would be a significant development for Monto as it would provide significant additional cashflow stemming from royalties on tin production from Baal Gammon and would provide a natural processing option for tin resources identified on the 534km$^2$ Herberton Tin Project.

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### *Baal Gammon Project Summary*

Baal Gammon is a highly advanced copper/tin/silver/indium deposit incorporated in the Herberton tenements and comprises the following **JORC Code-compliant resources:**

| JORC Category | Tonnes (000t) | Cu (%) | Sn (%) | Ag (g/t) | In (g/t) | CuEQ* (%) | Cu Metal (000t)+ |
|---|---|---|---|---|---|---|---|
| **Inferred Resources** | 109 | 0.4 | 0.2 | 10 | 30 | 1.25 | 0.4 |
| **Indicated Resources** | 5,373 | 0.8 | 0.2 | 29 | 29 | 1.8 | 41.2 |
| **Total Resources** | **5,482** | **0.8** | **0.2** | **29** | **29** | **1.8** | **41.6** |

*Note - 0.2% copper cut-off grade*
*+ - Contained Cu metal represents the Cu component only - it does not include credits from the other metals*

Based on mine optimisations and open pit designs, a Probable Ore Reserve for Baal Gammon has been generated - **3.1Mt @ 0.95% Cu, 0.2% Sn, 34.3 g/t Ag and 29.6 g/t In (29,000t copper metal+)**

Kagara own and operate the nearby 500,000tpa Mt Garnet copper plant which will be used to process ore derived from Baal Gammon. Baal Gammon is located on a granted Mining Lease and has received all required permitting.

Kagara will act as a contract miner and be responsible for all costs with respect to mine development and operation.